

FISCAL NOTE

Bill #: HB0624

Title: Hold school districts harmless for disequalized budget status

Primary Sponsor: Villa, D

Status: As Introduced

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$0	\$0
Revenue:		
General Fund		
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Office of Public Instruction (OPI)

- 174 of Montana's 436 operating school districts adopted a general fund budget that exceeded the maximum budget at least once in the period from FY 2001 through FY 2005. For 142 districts, the highest budget adopted between FY 2001 and FY 2005 exceeds the projected maximum budgets for FY 2006 and 2007.
- The proposed over-Max budget authority for these 142 districts would be \$13.64 million in FY 2006 and \$14.50 million in FY 2007. Any district that proposes to use this over-Max budget authority must gain the approval of the local voters.
- HB 624 has no impact on state support for schools.

TECHNICAL NOTES:

- HB 624 treats school districts differently based on the past behavior of the districts. If a district was able to adopt an over-Max budget in the past, it will be allowed to continue to do so under HB 624. If the district was unable to get an over-Max budget approved by the voters in the past, it will not be able to take advantage of the provisions in HB 624.